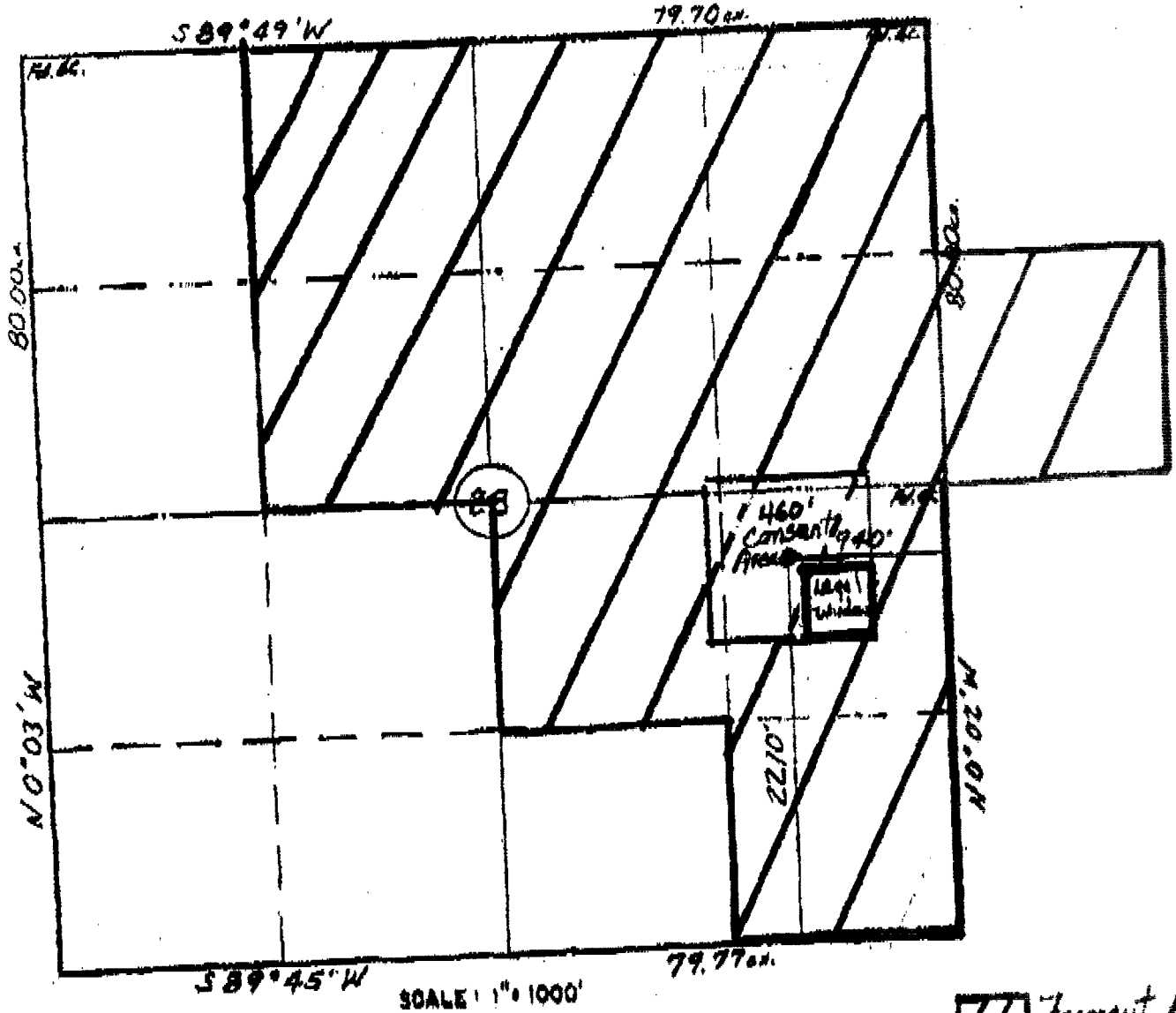




COMPANY MERIDIAN OIL, INC.  
 LEASE HAWK FEDERAL WELL NO. 43-28  
 SEC. 28 T. 37 S R. 23 E, SLB & N  
 COUNTY SAN JUAN STATE Utah  
 LOCATION 2210' FSL & 940' FSL  
 ELEVATION 5687



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD  
 NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION  
 AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY  
 KNOWLEDGE AND BELIEF.



WILLIAM E. MAHNKE II  
 NEW MEXICO P.L.S. NO 8465

Farmout Ac

# MERIDIAN OIL

5613 DTC PARKWAY  
ENGLEWOOD, COLORADO 80111

TELECOPIER # (303) 930-9357

DATE: 4/30/93

TO: Tammy Searing

LOCATION: State of Utah / Dept. of NAT. Resources

FROM: Georganne MITCHELL

LOCATION: MOI / Denver

NUMBER OF PAGES: 4  
INCLUDES COVER

SPECIAL INSTRUCTIONS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

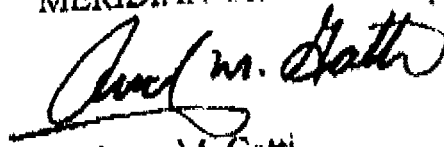
IF ANY PROBLEMS OCCUR OR PAGES ARE NOT RECEIVED, PLEASE CONTACT US AT:

(303) 930-9407

Exxon Company, U.S.A.  
#43-28 Hawk Federal  
Page 2

Please evidence your consent to the foregoing by executing this letter in the space provided below, and thereafter returning same to the undersigned at your earliest convenience. Your cooperation is greatly appreciated.

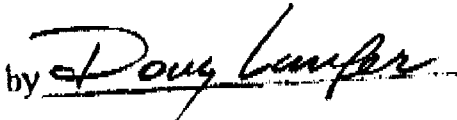
Very truly yours,  
MERIDIAN OIL INC.



Anthony M. Gatti  
Land Advisor

AGREED AND ACCEPTED THIS  
29<sup>th</sup> DAY OF April, 1993

EXXON CORPORATION

by 

Title: DOUG LAUFER, Land Supervisor  
Prod. Dept., Exxon Company, U.S.A. RKF  
(a division of Exxon Corporation)  
AGENT AND ATTORNEY IN FACT

**MERIDIAN OIL**

April 15, 1993

Exxon Company, U.S.A.  
P.O. Box 1600  
Midland, Texas 79702-1600  
Attn: Mr. Robert Fields

Re: #43-28 Hawk Federal  
Hawk Prospect  
San Juan County, Utah  
Exxon Trade C# 1012577

Gentlemen:

Enclosed please find a preliminary survey plat for the #43-28 Hawk Federal Well, being the initial test well required under the terms of our January 11, 1993 Farmout Agreement covering various portions of Sections 27 and 28, Township 37 South-Range 23 East, San Juan County, Utah.

As shown on the enclosed plat, our proposed location constitutes an exception location due to the fact it is situated outside the 400 square foot window tolerance area provided under current Utah State Regulations (R649-3-2. Location and Sitting of Wells). Utah R649-3-3 allows for the granting of an exception by the division upon written consent from all owners within a 460 foot radius of the proposed well location. This exception location is necessary in order for Meridian to drill the test well within close proximity to it's seismic control.

Therefore, Exxon's consent to the exception location for the #43-28 Hawk Federal as shown on the enclosed plat is hereby requested not only for the purposes of R649-3-3, but also with respect to the "regular location" requirement set forth under the provision of our January 11, 1993 farmout agreement.

TO: 801 359 3940 APR 30, 1993 3:09PM #012 P.02

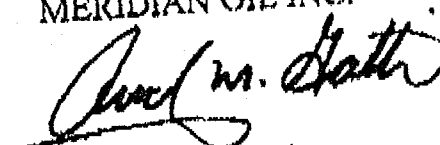
FROM:MERIDIAN OIL

MERIDIAN OIL

Exxon Company, U.S.A.  
#43-28 Hawk Federal  
Page 2

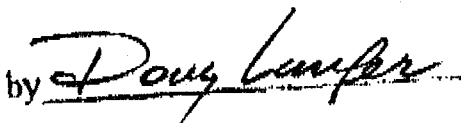
Please evidence your consent to the foregoing by executing this letter in the space provided below, and thereafter returning same to the undersigned at your earliest convenience. Your cooperation is greatly appreciated.

Very truly yours,  
MERIDIAN OIL INC.

  
Anthony M. Gatti  
Land Advisor

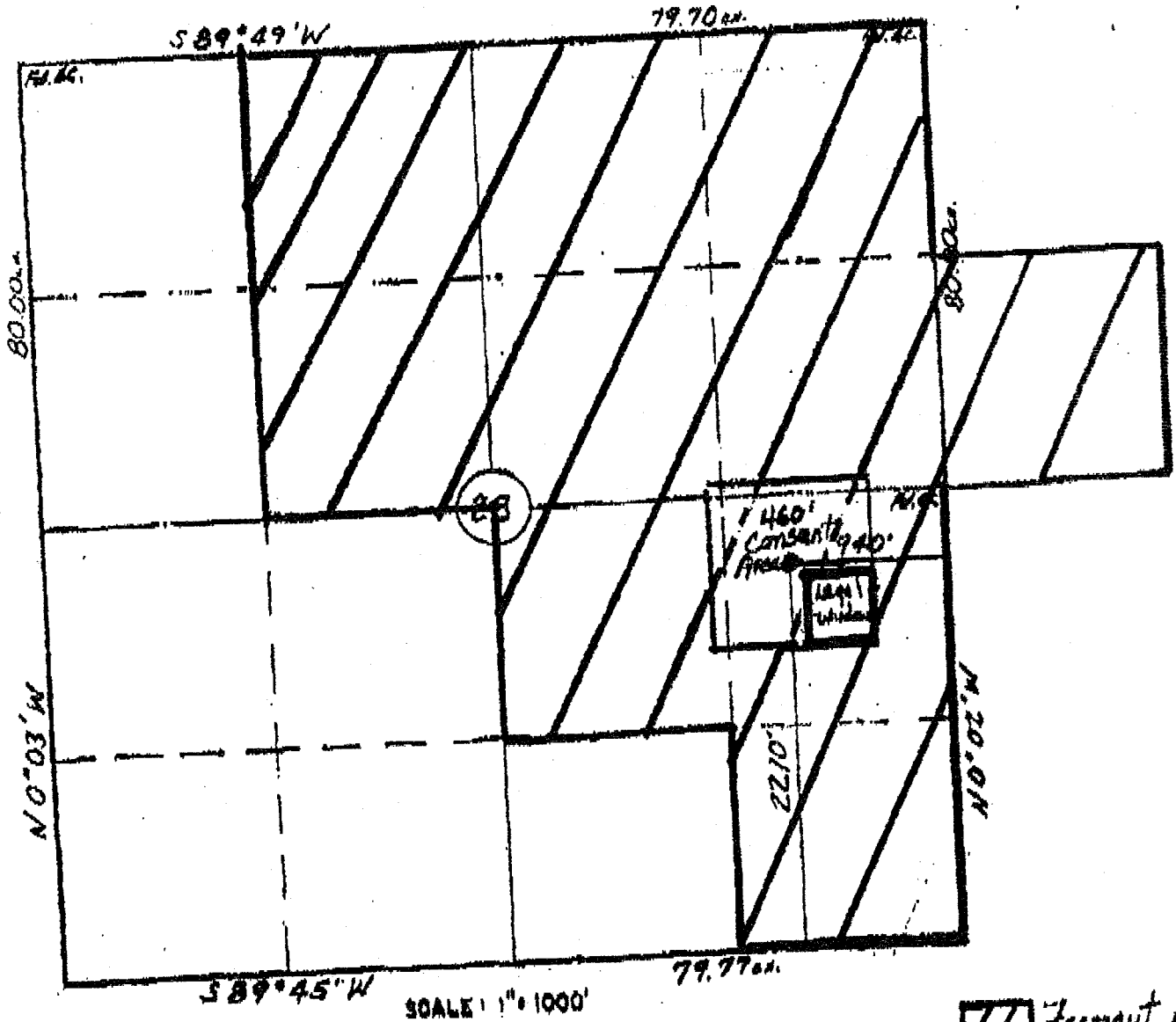
AGREED AND ACCEPTED THIS  
29<sup>th</sup> DAY OF April, 1993

EXXON CORPORATION

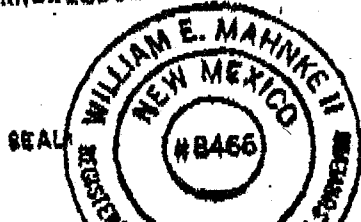
by 

Title: DOUG LAUFER, Land Supervisor  
Prod. Dept., Exxon Company, U.S.A. RKF  
(a division of Exxon Corporation)  
AGENT AND ATTORNEY IN FACT

COMPANY MERIDIAN OIL, INC.  
 LEASE HAWK FEDERAL WELL NO. 28  
 SEC. 28 T. 37 S R. 23 E, SLB & M  
 COUNTY SAB JUAN STATE Utah  
 LOCATION 2210' FSL & 940' FSL  
 ELEVATION 5687



THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.




WILLIAM E. MAHNKE II  
 NEW MEXICO P.L.S. NO 8466

Fairmont A.

STATE ACTIONS

Mail to:  
RDCC Coordinator  
116 State Capitol  
Salt Lake City, Utah 84114

- 
1. ADMINISTERING STATE AGENCY  
OIL, GAS AND MINING  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203
2. STATE APPLICATION IDENTIFIER NUMBER:  
(assigned by State Clearinghouse)
- 
3. APPROXIMATE DATE PROJECT WILL START:  
May 25, 1993
- 
4. AREAWIDE CLEARING HOUSE(s) RECEIVING STATE ACTIONS:  
(to be sent out by agency in block 1)  
Southeastern Utah Association of Governments
- 
5. TYPE OF ACTION: ☐ Lease ☒ Permit ☐ License ☐ Land Acquisition  
☐ Land Sale ☐ Land Exchange ☐ Other \_\_\_\_\_
- 
6. TITLE OF PROPOSED ACTION:  
Application for Permit to Drill
- 
7. Meridian Oil, Inc. proposes to drill the 43-28 Hawk Federal well (wildcat) on federal lease U-64051 in San Juan County, Utah. This action is being presented to RDCC for consideration of resource issues affecting state interests. The U.S. Bureau of Land Management is the primary administrative agency in this action and must issue approval before operations commence.
- 
8. LAND AFFECTED (site location map required) (indicate county)  
NE/4 SE/4, Section 28, Township 37 South, Range 23 East, San Juan County, Utah
- 
9. HAS THE LOCAL GOVERNMENT(s) BEEN CONTACTED?
- 
10. POSSIBLE SIGNIFICANT IMPACTS LIKELY TO OCCUR:  
See Attachment
- 
11. NAME AND PHONE NUMBER OF DISTRICT REPRESENTATIVE FROM YOUR AGENCY NEAR PROJECT SITE, IF APPLICABLE:
- 
12. FOR FURTHER INFORMATION, CONTACT: Frank R. Matthews  
PHONE: 538-5340
13. SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL:  
  
DATE: 4/26/93 Petroleum Engineer
- 

WOI187



# MERIDIAN OIL

April 13, 1993

RECEIVED

APR 15 1993

State of Utah  
Department of Natural Resources  
Division of Oil, Gas and Mining  
355 West North Temple  
Suite 350  
Salt Lake City, Utah 84180-1203

DIVISION OF  
OIL GAS & MINING

Re: Application for Permit to Drill  
43-28 Hawk Federal Well  
NESE Sec. 28, T37S, R23E  
San Juan County, Utah  
Lease U-64051

Gentlemen:

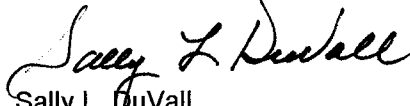
Enclosed are two copies of the Application for Permit to Drill for the subject well. Pursuant to State of Utah rules regarding locating wells, please be advised that Meridian Oil will be requesting an exception location for the subject well, based upon geologic requirements and the availability of seismic data for locating this well. This request will be forthcoming within the next two weeks.

Please be advised that Meridian Oil Inc. requests that all pertinent data for the above captioned well be granted TIGHT HOLE status for a period of one year.

If you have any questions, please do not hesitate to contact me at (303)930-9393 or Georganne Mitchell at (303)930-9407.

Very truly yours,

MERIDIAN OIL INC.

  
Sally L. DuVall

Regulatory Compliance Administrator

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL  
WELL ☐

GAS  
WELL ☒

OTHER

SINGLE  
ZONE ☐

MULTIPLE  
ZONE ☐

2. NAME OF OPERATOR

Meridian Oil Inc.

3. ADDRESS AND TELEPHONE NO.

5613 DTC Parkway, Englewood, CO 80111

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*)

At surface

2210' FSL & 940' FEL

At proposed prod. zone

See attached plat

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

7-1/2 miles SE of Blanding

10. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any) 940'

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED, 5800' from

OR APPLIED FOR, ON THIS LEASE, FT.

nearest shut-in well 6450' MD/TVD

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

Est. 5687' GL

16. NO. OF ACRES IN LEASE

2,306.00

19. PROPOSED DEPTH

6450' MD/TVD

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

80

20. ROTARY OR CABLE TOOLS

Rotary

22. APPROX. DATE WORK WILL START\*

5/25/93

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8"	48#	80'	Cement to surface
12-1/4"	8-5/8"	24#	2,000'	700' sx "G"
7-7/8"	5-1/2"	15.5#	6,450'	200' sx "G"

Oil and Gas Order No. 1 and Exhibits:

- A: Survey Plat
- B: Nine-Point Drilling Plan
- C: BOP Diagram
- D: Multi-Point Surface Use Plan
- E: Access Roads
- E-1: Detail of Access Road
- E-2: 1 Mile Radius Map
- F: Production Layout
- G: Cut Fill/Cross Sections
- H: Rig Layout

See attached Lease Description

Meridian Oil Inc. is properly  
bonded for drilling and plugging  
wells in Utah: State of Utah Bond  
No. 1536406, - Nationwide Bond  
No. MT-0719

RECEIVED

APR 15 1993

DIVISION OF

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

*Sally L. Swall*  
Sally L. Swall

TITLE Regulatory Compliance Admin. DATE 3/26/93

(This space for Federal or State office use)

PERMIT NO.

13-037-31701

APPROVAL DATE

APPROVED BY THE STATE  
OF UTAH DIVISION OF  
OIL, GAS, AND MINING

DATE: 4/21/93

BY: *[Signature]*

WELL SPACING: 2-649-3-3

DATE

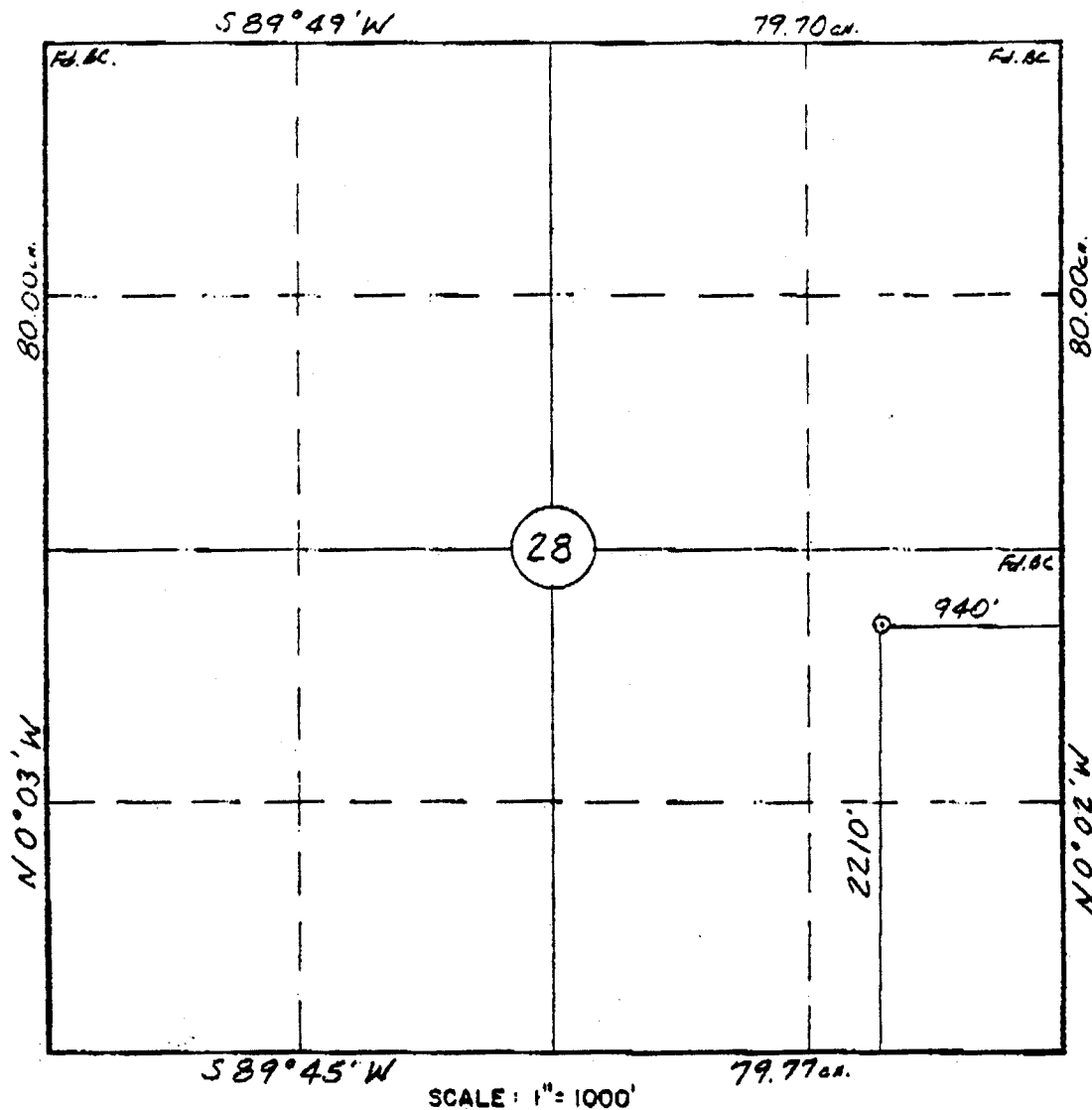
APPROVED BY

TITLE

\*See Instructions On Reverse Side

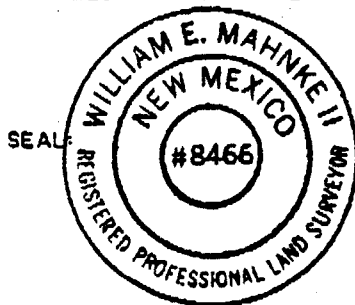
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

COMPANY MERIDIAN OIL, INC.  
 LEASE HAWK FEDERAL WELL NO. 43-28  
 SEC. 28, T. 37 S, R. 23 E, SLB & M  
 COUNTY San Juan STATE Utah  
 LOCATION 2210' FSL & 940' FEL  
 ELEVATION 5687



SCALE: 1" = 1000'

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



WILLIAM E. MAHNKE II  
 NEW MEXICO P.L.S. No 8466

SURVEYED 17 MAR., 1993

MAR 18 '93 08:39 SAN JUAN REPRO

Lease No. U-64051

Legal Description:

Township 37 South, Range 23 East, Salt Lake Meridian

Section 27: N/2, SE/4

Section 28: N/2, SW/4, N/2SE/4, SE/4SE/4

Section 29: All

Section 30: Lots 1-3, E/2, E/2W/2

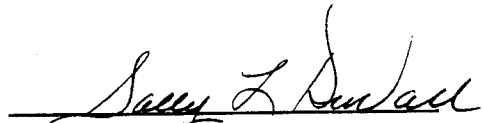
containing 2,306.00 acre, more or less

Self-Certification of Operator

Be advised that Meridian Oil Inc. is considered to be the operator of Well No. 43-28 Hawk Federal, NESE, Sec. 28-T37S-R23E, Lease UT-64051, San Juan County, Utah, and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by Bond No. MT-0719. (Principal, St. Paul Fire and Marine Life Insurance, St. Paul, Minnesota) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

  
Sally L. DuVal  
Regulatory Compliance Administrator  
Meridian Oil Inc.  
5613 DTC Parkway  
Englewood, CO 80111  
(303)930-9393

## OIL AND GAS ORDER NO. 2

Meridian Oil Inc.  
5613 DTC Parkway  
Englewood, CO 80111  
February 22, 1993

LEASE NAME: 43-28 Hawk Federal  
Lease No. U-64051  
2210' FSL and 940' FEL  
NESE Sec. 28, T37S-R23E  
San Juan County, Utah  
6450' Ismay Test

All lease/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. MERIDIAN OIL INC. is fully responsible for the actions of its subcontractors. A copy of these conditions will be furnished the field representative to ensure full compliance.

In addition, Meridian Oil Inc. is responsible under the terms and conditions of the subject lease for the operations on the lease.

### A. NINE POINT DRILLING PROGRAM

#### 1. and 2. Estimated Tops of Important Geologic Markers:

<u>Marker</u>	<u>Depth</u>	<u>Datum</u>	<u>Possible</u>	<u>Oil/Gas or Water</u>
Shinarump	2864'	(+2848')		
Cutler	3196'	(+2516')		
Hermosa	4992'	(+ 720')		
Upper Ismay	6052'	(- 340')		Oil and Gas
Lower Ismay	6219'	(- 507')		
Desert Creek	6322'	(- 610')		Oil and Gas
Akah	6415'	(- 703')		

#### 3. Pressure Control Equipment

- a. A 3000 psi WP casinghead will be installed on the surface casing. A 3000 psi WP Annular Preventer and 3000 psi WP double gate preventer equipped with blind and pipe rams will be nipped up on wellhead. (See Attachment).

BOP systems will be consistent with API RP 53. Annular preventer will be tested to 1500 psi against casing. Pipe and blind rams, choke line and manifold will be tested to 2000 psi against casing. Casing will be tested to 2000 psi prior to drilling float shoe. Pressure tests will be conducted before drilling out from under all casing strings which are set and cemented in place. Blowout preventer

controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least once daily to ensure good mechanical condition, and this inspection recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

4. Casing Program

Anticipated cement tops will be reported as to depth, not the expected number of sacks. The San Juan Resource Area will be notified 1 day before running casing strings and cement.

<u>Hole Size</u>	<u>Size</u>	<u>Depth</u>	<u>Weight</u>	<u>Grade</u>	<u>Casing Thrd</u>	<u>Cond</u>
17-1/2	13-3/8	80'	48#	H-40	ST&C	New
12-1/4	8-5/8	2000'	24#	K-55	ST&C	New
7-7/8	5-1/2	6450'	15.5#	K-55	LT&C	New

Cementing Program

Conductor: Redi-Mix to Surface

Surface: Cement to surface. Calculated volumes include 100% excess. Lead of 550 sx "G" w/16% Gel, 3% salt & 1/4#/sk cellophane flakes (Y=2.33). 150 sx tail, consisting of "G" w/1% CaCl & 1/4#/sx cellophane flakes.

Production: Caliper log + 20% on volume w/TOC @ 5500'. 100 sx lead (same as above) plus 100 sx tail (same as above).

5. Proposed Drilling Mud Program

A water base mud system from surface to T.D. Maximum anticipated mud weight is 9.4#/gallon.

A 2-person mud logging unit will be on location from 3500' to T.D., taking 30' samples from surface to 3500' and 10' samples from 3500' to TD.

Mud:

<u>Interval</u>	<u>Type</u>	<u>WT</u>	<u>VIS</u>	<u>WL</u>	<u>Remarks</u>
0 -5500'	FW	8.5+/-	35+/-	NC	Circ Steel Tanks
5500'-6450'	Polymer	9.0-9.4+/-	35-40+/-	10-12	Circ Steel Tanks

6. Testing Program

One probable DST planned in the Upper Ismay

### Logging Program

LOGS:	Type	Interval
GR/DLL/MSFL/CAL		BSC to TD
GR/LDT/CNL		4500' to TD
GR/BHC Sonic		BSC to TD

### Coring Program

None Planned.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" will be submitted not later than 30 days after completion of the well or after completion of operations to be performed, in accordance with 43 CFR 3164. Two copies of all logs, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, or completion operations, will be filed. If requested, samples (cuttings, fluids, and/or gases) will be submitted to the District Manager.

### 7. Anticipated Abnormal BHP or BHT

No abnormal BHP or BHT are expected in this well.

### Potentially Hazardous Conditions Anticipated

No H<sub>2</sub>S has been found, reported or is known to exist at these depths in this area.

### 8. Anticipated Starting Dates and Notifications of Operations

The operator will contact the San Juan Resource Area at 801-587-2141, attn. Jeff Brown, 48 hours before beginning any dirt work.

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the District Manager. If operations are to be suspended, prior approval of the District Manager will be obtained and notification given before resumption of operations.

The spud date will be reported orally to the San Juan Resource Area, a minimum of 24 hours before spudding. A Sundry Notice will be sent within 24 hours after spudding, reporting the spud date and time. The sundry will be sent to the District Manager. If the spudding is on a weekend or holiday, the Sundry will be submitted on the following regular work day.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 9-329, Monthly Report of Operations, starting with the month in which operations begin and continue each month until the well is physically plugged and abandoned. This report will be sent to BLM District Office, P. O. Box 970, Moab, Utah 84532.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be reported promptly to the Resource Area in accordance with requirements of NTL-3A.



If a replacement rig is planned for completion operations, a Sundry Notice to that effect will be filed, for prior approval of the District Manager. All conditions of this approved plan are applicable during all operations conducted with the replacement rig. In emergencies, verbal approval can be given by the District Petroleum Engineer.

If the well is successfully completed for production, then the District Manager will be notified when the wells placed in a producing status. Such notification will be sent by telegram or other written communication, not later than 5 business days following the date on which the well is placed on production.

No well abandonment operations will begin without the prior approval of the District Manager. In the case of newly drilled dry holes or failures, and in emergencies, oral approval will be obtained from the District Petroleum Engineer. A subsequent report of abandonment will be filed with the District Manager within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration.

Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the San Juan Resource Area Manager, or the appropriate surface manager.

Approval to vent/flare gas during initial well evaluation will be obtained from the District Office. This preliminary approval will not exceed 30 days or 50 MMCF gas. Approval to vent/flare beyond this initial test period will require District Office approval pursuant to guidelines in NTL-4A.

Upon completion of approved plugging, a regulation market will be erected in accordance with 43 CFR 3162.6. The following information will be permanently beaded-on with a welding torch: Federal well number, location by quarter quarter, section, township, range, and Lease Number.

A first production conference will be scheduled within 15 days after receipt of the first production notice. The San Juan Resource Manager will schedule the conference.

Other: A separate rig will be used for completion operations.

The following may be inspected and/or witnessed:

1. Cementing and testing of surface casing.
2. Dry Hole (Setting and testing of surface casing shoe plug).
3. Depleted Producer (The setting and testing of plugs across the producing horizon and, if applicable, the surface casing shoe plug and/or annulus (casing to formation) squeeze jobs.)

9. Anticipated Start Dates

Date: 5/25/93

3 days to move in drilling rig prior to spud

Days to Drilling: 14

4 days to move drilling rig off and completion rig on.

4 days of initial completion work.

4 days to install production facilities.

## RP 53: Blowout Prevention Equipment Systems

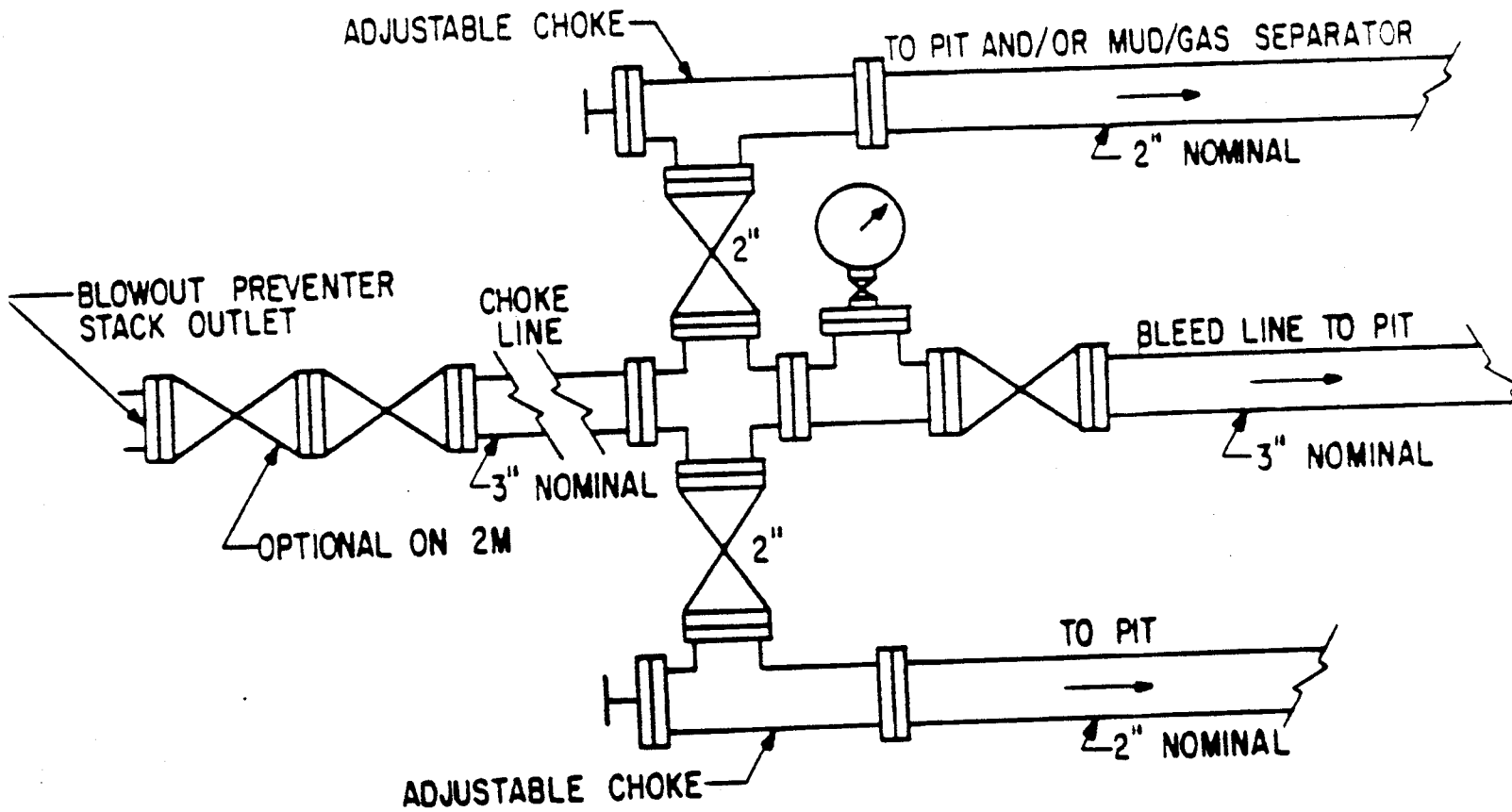
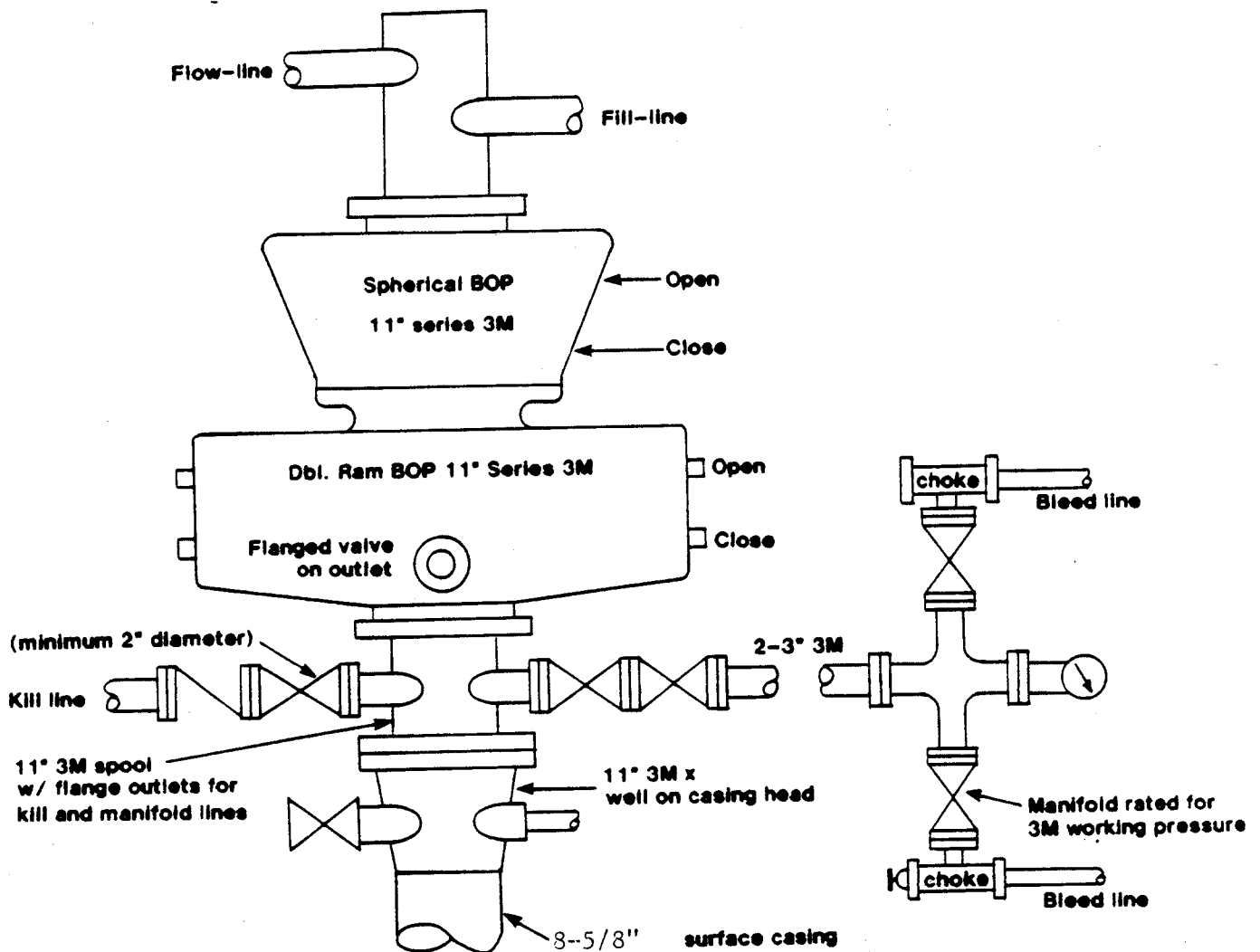


FIG. 3.A.1

**TYPICAL CHOKE MANIFOLD ASSEMBLY  
FOR 2M AND 3M RATED WORKING  
PRESSURE SERVICE — SURFACE INSTALLATION**

## TYPICAL MINIMUM BOP SPECS (SCHEMATIC DRAWING)

For drilling 7-7/8" hole below 8-5/8" surface



## NOTES AND AUXILIARY EQUIPMENT

1. All lines, valves and fittings to be minimum.
2. All bolts to be installed and tight.
3. All crew members to be trained in and familiar with BOP equipment, accumulators and procedures.
4. Hole to be kept full at all times.
5. (a) After nipping up, preventers will be pressure tested at 3000 psi for 15 minutes before drilling out.  
(Spherical to 1500 psi).
- (b) BOP will be inspected and operated at least daily to insure good working order.
- (c) All pressure and operating tests will be recorded on daily drilling report.
6. An upper kelly-cock will be used at all times.
7. A drill-pipe float will be available at all times for use when penetrating formations with anticipated abnormal pressures.
8. Mud system monitoring method: Flow sensor and pit volume totalizer.
9. A 3000 psi WP F.O. "Hero" valve, properly subbed w/DP line, will be available on the floor at all times.
10. 8-5/8" casing will be tested to 1500 psi before drilling out.
11. Remote BOP control will be located on rig floor with hydraulic located at the accumulator.

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

DATE RECEIVED: 04/15/93

OPERATOR: MERIDIAN OIL INC.  
WELL NAME: 43-28 HAWK FEDERAL

OPERATOR ACCT NO: N- 7030

API NO. ASSIGNED: 43 - 037-31701

LEASE TYPE: FED LEASE NO: U-64051  
LOCATION: NESE 28 - T37S - R23E SAN JUAN COUNTY  
FIELD: WILDCAT FIELD CODE: 001

RECEIVED AND/OR REVIEWED:

☒ Plat  
☒ Bond  
(Number federal)  
☒ Potash (Y/N)  
☒ Oil shale (Y/N)  
☒ Water permit  
(Number no permit #)  
☒ RDCC Review (Y/N)  
(Date: 4-16-93)

LOCATION AND SITING:

☐ R649-2-3. Unit: \_\_\_\_\_  
☐ R649-3-2. General.  
☒ R649-3-3. Exception.  
☐ Drilling Unit.  
Board Cause no: \_\_\_\_\_  
Date: \_\_\_\_\_

COMMENTS:

Exception location requested 4/30/93 consent  
from Exxon for exception of well.

STIPULATIONS:

cc: San Juan county assessor.  
RDCC stipulation.

CONFIDENTIAL  
PERIOD  
EXPIRED  
ON 7-9-94



# State of Utah

DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor

Ted Stewart  
Executive Director

James W. Carter  
Division Director

355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
801-538-5340  
801-359-3940 (Fax)  
801-538-5319 (TDD)

May 3, 1993

Meridian Oil Inc.  
5613 DTC Parkway  
Englewood, Colorado 80111

Gentlemen:

Re: 43-28 Hawk Federal Well, 2210 feet from the south line, 940 feet from the east line, NE 1/4 SE 1/4, Section 28, Township 37 South, Range 23 East, San Juan County, Utah

Pursuant to Utah Admin. R. 649-3-3, Exception to Location and Siting of Wells and Utah Admin. R. 649-3-4, Permitting of Wells to be Drilled, Deepened or Plugged-Back, approval to drill the referenced well is hereby granted.

In addition, the following specific actions are necessary to fully comply with this approval:

1. The Application for Permit to Drill has been forwarded to the Resource Development Coordinating Committee for review of this action. Meridian Oil Inc., will be required to comply with any applicable recommendations resulting from the review.
2. Compliance with the requirements of Utah Admin. R. 649-1 et seq., Oil and Gas Conservation General Rules.
3. Notification within 24 hours after drilling operations commence.
4. Submittal of Entity Action Form, Form 6, within five working days following commencement of drilling operations and whenever a change in operations or interests necessitates an entity status change.
5. Submittal of the Report of Water Encountered During Drilling, Form 7.



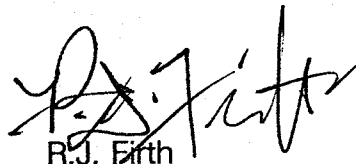
Page 2  
Meridian Oil Inc.  
43-28 Hawk Federal Well  
May 3, 1993

6. Prompt notification prior to commencing operations, if necessary, to plug and abandon the well. Notify Frank R. Matthews, Petroleum Engineer, (Office) (801)538-5340, (Home) (801)476-8613, or R.J. Firth, Associate Director, (Home) (801)571-6068.
7. Compliance with the requirements of Utah Admin. R. 649-3-20, Gas Flaring or Venting, if the well is completed for production.

Trash and sanitary waste should be properly contained and transported to approved disposal locations, not retained in or disposed of in pits on location or downhole. Prior to the commencement of drilling operations, the operator should consult the local/county sanitarian and/or the Department of Environmental Quality, Division of Drinking Water/Sanitation, regarding appropriate disposal of sanitary waste.

This approval shall expire one year after date of issuance unless substantial and continuous operation is underway or a request for an extension is made prior to the approval expiration date. The API number assigned to this well is 43-037-31701.

Sincerely,



R.J. Firth

Associate Director, Oil and Gas

ldc

Enclosures

cc: Bureau of Land Management  
San Juan County Assessor  
J.L. Thompson

WOI1

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
DISTRICT OFFICE

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL  
WELL ☐

GAS  
WELL ☒

OTHER

2. NAME OF OPERATOR

Meridian Oil Inc.

3. ADDRESS AND TELEPHONE NO.

5613 DTC Parkway, Englewood, CO 80111

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*)

At surface

2210' FSL & 940' FEL

At proposed prod. zone

See attached plat

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

7-1/2 miles SE of Blanding

10. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any) 940'

16. NO. OF ACRES IN LEASE

2,306.00

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

80

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED, 5800' from

OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

nearest shut-in well 6450' MD/TVD

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

Est. 5687' GL

22. APPROX. DATE WORK WILL START\*

5/25/93

RECEIVED

MAY 03 1993

DIVISION OF  
OIL GAS & MINING

FLARING OR VENTING OF  
GAS IS SUBJECT TO NTL 44  
Dated 1/1/80

CONDITIONS OF APPROVAL ATTACHED

24.

SIGNED

*Sally L. Swall*  
Sally L. Swall

TITLE Regulatory Compliance Admin. DATE 3/26/93

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

/S/ WILLIAM C. STRINGER

TITLE

Assistant District Manager  
for Minerals

DATE

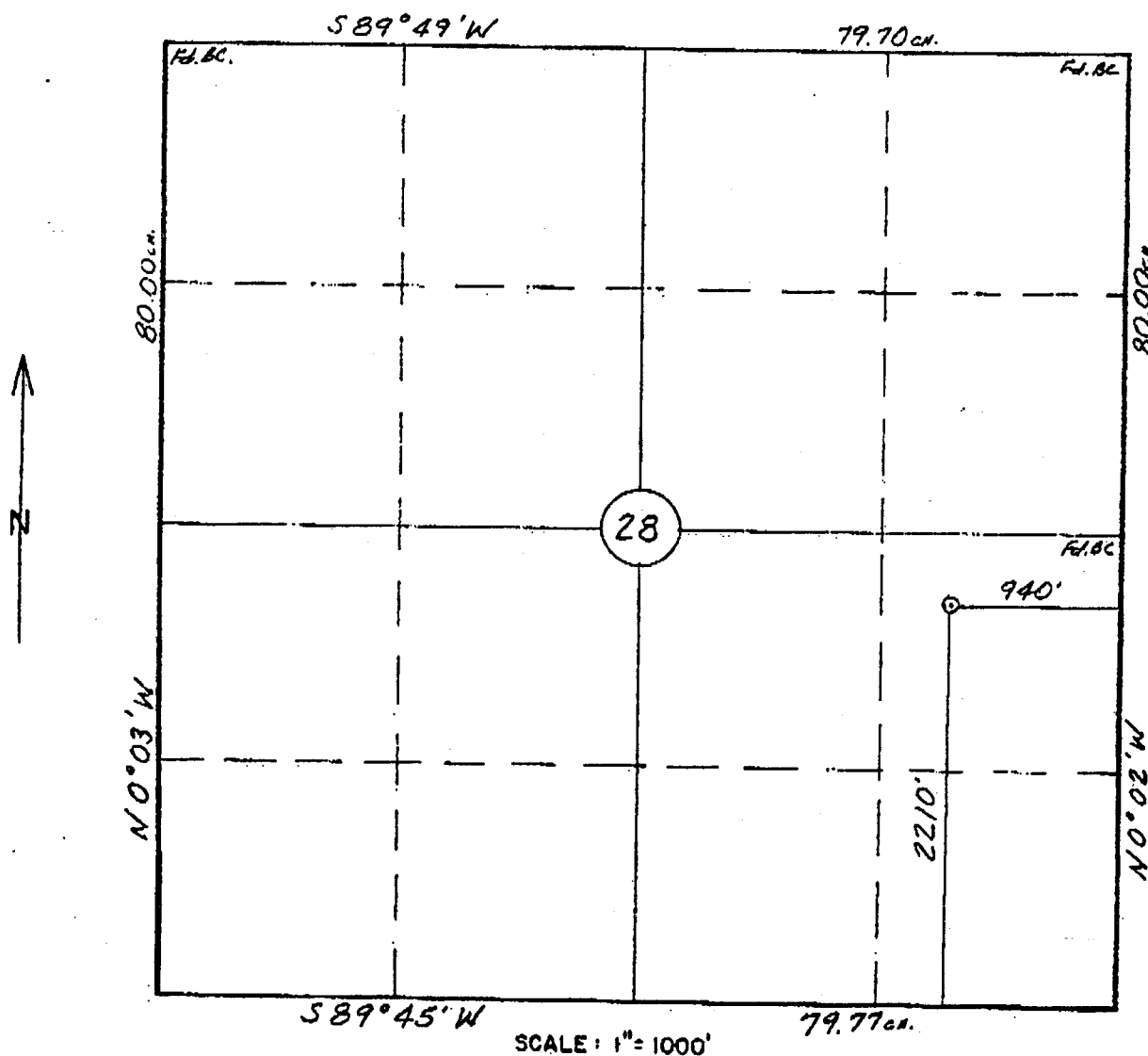
APR 30 1993

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

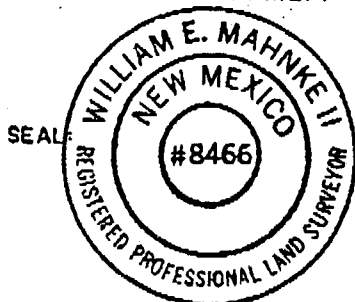
DOAM 577 3/26/93

COMPANY MERIDIAN OIL, INC.  
 LEASE HAWK FEDERAL WELL NO. 43-28  
 SEC. 28, T. 37 S, R. 23 E, SLB & M  
 COUNTY San Juan STATE Utah  
 LOCATION 2210' FSL & 940' FEL  
 ELEVATION 5687



SCALE: 1" = 1000'

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



*William E. Mahnke II*  
 WILLIAM E. MAHNKE II  
 NEW MEXICO P.L.S. No 8466

SURVEYED 17 MAR., 1993



Meridian Oil Inc.  
43-28 Hawk Federal  
Lease U-64051  
NESE Section 28, T37S, R23E  
San Juan County, Utah

### CONDITIONS OF APPROVAL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Meridian Oil Inc. is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by MT0719 (Principal - Meridian Oil Inc.) via surety consent as provided for in 43 CFR § 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR § 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR § 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions and the approved plan will be made available to field representatives to insure compliance.

**A. DRILLING PROGRAM**

1. The surface casing (8-5/8") must be set, at a minimum, 50 feet into the Chinle Formation.
2. If a DST is run, the initial opening of the tool will be restricted to daylight hours.

**B. SURFACE USE PLAN**

1. Two archaeological sites identified during the archaeological survey (42SA18667 and 42SA22290) need protection. The site boundary of each site will be flagged prior to construction to insure avoidance.

### **C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS**

Required verbal notifications are summarized in Table 1, attached.

**Building Location-** Contact the Resource Area, Natural Resource Protection Specialist at least 48 hours prior to commencing construction of location.

**Spud-** The spud date will be reported to the Resource Area Office 24 hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the District Office within 24 hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

**Daily Drilling Reports-** Daily drilling reports shall detail the progress and status of the well and shall be submitted to the District Office on a weekly basis.

**Monthly Reports of Operations-** In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

**Sundry Notices-** There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR § 3162.3-2. Safe drilling and operating practices must be observed.

**Drilling Suspensions-** Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Authorized Officer. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

**Undesirable Events-** Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the Resource Area in accordance with requirements of NTL-3A.

**Cultural Resources-** If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Area Manager is to be notified.

**First Production-** Should the well be successfully completed for production, the District Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five (5) business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Resource Area Office. The Resource Area Office shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the District Office not later than thirty (30) days after completion of the well or after completion of operations being performed, in accordance with 43 CFR § 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the District Office.

Venting/Flaring of Gas- Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the authorized officer. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

Produced Water- Produced waste water may be confined to an unlined pit for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted to the District Office for approval pursuant to NTL-2B.

Off-Lease Measurement, Storage, Commingling- Prior approval must be obtained from the District Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

Plugging and Abandonment- If the well is completed as a dry hole, plugging instructions must be obtained from the District Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the District Office within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR § 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Area Manager or his representative, or the appropriate surface managing agency.

## TABLE 1

### NOTIFICATIONS

Notify Jeff Brown, Robert Larsen or Bob Turri of the San Juan Resource Area in Monticello, Utah, at (801) 587-2141 for the following:

2 days prior to commencement of dirt work, construction and reclamation;

1 day prior to spudding;

50 feet prior to reaching surface casing depth;

3 hours prior to testing BOPE

If the person at the above number cannot be reached, notify the Moab District Office at (801) 259-6111. If unsuccessful, the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab District Office, Branch of Fluid Minerals at (801) 259-6111. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer	Office: (801) 259-6111
	Home: (801) 259-2214

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: MERIDAN OIL 43-037-31701

WELL NAME: 43-28 HAWK FEDERAL

Section 28 Township 37S Range 23E County SAN JUAN

Drilling Contractor BIG "A"

Rig # 32

SPUDDED: Date 5/27/93

Time 5:00 AM

How ROTARY

**CONFIDENTIAL**

Drilling will commence

Reported by ROY NESET

Telephone # 1-678-2278

Date 5/27/93 SIGNED JLT

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING  
ENTITY ACTION FORM - FORM 6

OPERATOR Meridian Oil Inc.  
ADDRESS 5613 DTC Parkway  
Englewood, CO 80111

OPERATOR ACCT. NO. N7230

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	11483	43-037-31701	43-28 Hawk Federal	NESE	28	37S	23E	San Juan	5/26/93	5/26/93
WELL 1 COMMENTS: <i>Entity added 6-1-93. See</i>											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

**RECEIVED**

MAY 28 1993

DIVISION OF  
OIL GAS & MINING

*Greg A. Olson*  
Signature Greg A. Olson  
Title Senior Drilling Eng.  
Date  
Phone No. 303930-9316



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires September 30, 1990

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.

SUBMIT IN TRIPLICATE

RECEIVED

JUN 14 1993

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Meridian Oil Inc.

3. Address and Telephone No.

5613 DTC Parkway, Englewood, CO 80111 303-930-9393

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

2210' FSL & 940' FEL

NESE Sec. 28, T37S-R23E

5. Lease Designation and Serial No.

U-64051

6. If Indian, Allottee or Tribe Name

N/A

7. If Unit or C.A. Agreement Designation

N/A

8. Well Name and No.

43-28 Hawk Federal

9. API Well No.

43-037-31701

10. Field and Pool, or Exploratory Area

Wildcat

11. County or Parish, State

San Juan

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☒ Abandonment

☐ Recompletion

☐ Plugging Back

☐ Casing Repair

☐ Altering Casing

☐ Other

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

The 43-28 Hawk Federal was P&A'd on 6/9/93.

Plug #1	5820' - 6420'	170 sx Class G
Plug #2	4660' - 4875'	100 sx Class G
Plug #3	2175' - 2315'	70 sx Class G
Plug #4	0' - 50'	20 sx Class G

Cut off well head, weld on dry hole marker.

14. I hereby certify that the foregoing is true and correct

Signed

*Sally J. Dwyer*

Title Regulatory Compliance Adm.

Date 6/10/93

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE\*

(See other instructions on reverse side)

FOR APPROVED  
OMB NO. 1004-0137  
Expires: December 31, 1991

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG \*

1a. TYPE OF WELL:		OIL WELL <input type="checkbox"/>	GAS WELL <input checked="" type="checkbox"/>	DRY <input type="checkbox"/>	Other <input type="checkbox"/>								
b. TYPE OF COMPLETION:		NEW WELL <input type="checkbox"/>	WORK OVER <input type="checkbox"/>	DEEP-EN <input type="checkbox"/>	PLUG BACK <input type="checkbox"/>	DIFF. RESVR. <input checked="" type="checkbox"/>	Other <u>Plug &amp; Abandon</u>						
2. NAME OF OPERATOR <u>Meridian Oil Inc.</u>													
3. ADDRESS AND TELEPHONE NO. <u>5613 DTC Parkway, Englewood, CO 80111 303-930-9393</u>													
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface <u>2210' FSL and 940' FEL</u> At top prod. interval reported below At total depth													
14. PERMIT NO. <u>31701</u> DATE ISSUED <u>5/3/93</u>													
15. DATE SPUDDED <u>5/26/93</u>		16. DATE T.D. REACHED <u>6/8/93</u>		17. DATE COMPL. (Ready to prod.) <u>N/A</u>		18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* <u>5700' KB, 5687' GR</u>		19. ELEV. CASINGHEAD <u>GL</u>					
20. TOTAL DEPTH, MD & TVD <u>6417'</u>		21. PLUG, BACK T.D., MD & TVD <u>0'</u>		22. IF MULTIPLE COMPL., HOW MANY* <u>N/A</u>		23. INTERVALS DRILLED BY <u>X</u>		ROTARY TOOLS <u>X</u>					
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* <u>N/A</u>							25. WAS DIRECTIONAL SURVEY MADE <u>N/A</u>						
26. TYPE ELECTRIC AND OTHER LOGS RUN <u>BHC DIL GR CAL BSC - TD</u> <u>CNL LDT GR - 5100' - TD</u> <u>6-18-93</u>							27. WAS WELL CORED						
28. CASING RECORD (Report all strings set in well)													
CASING SIZE/GRADE		WEIGHT, LB./FT.		DEPTH SET (MD)		HOLE SIZE		TOP OF CEMENT, CEMENTING RECORD		AMOUNT PULLED			
<u>8-5/8"</u>		<u>K-55 24#</u>		<u>2255'</u>		<u>12-1/4"</u>		<u>Surf. 800 sx.</u>					
29. LINER RECORD										30. TUBING RECORD			
SIZE		TOP (MD)		BOTTOM (MD)		SACKS CEMENT*		SCREEN (MD)		SIZE			
<u>N/A</u>										<u>N/A</u>			
31. PERFORATION RECORD (Interval, size, and number) <u>N/A</u>										32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.			
JUN 14 1993 DIVISION OF OIL GAS & MINING										DEPTH INTERVAL (MD)		AMOUNT AND KIND OF MATERIAL USED	
										<u>N/A</u>			
33. PRODUCTION													
DATE FIRST PRODUCTION <u>N/A</u>		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) <u>N/A</u>					WELL STATUS (Producing or shut-in) <u>N/A</u>						
DATE OF TEST <u>N/A</u>		HOURS TESTED <u>N/A</u>		CHOKE SIZE <u>N/A</u>		PROD'N. FOR TEST PERIOD <u>N/A</u>		OIL—BBL. <u>N/A</u>		GAS—MCF. <u>N/A</u>			
FLOW. TUBING PRESS. <u>N/A</u>		CASING PRESSURE <u>N/A</u>		CALCULATED 24-HOUR RATE <u>N/A</u>		OIL—BBL. <u>N/A</u>		GAS—MCF. <u>N/A</u>		WATER—BBL. <u>N/A</u>			
										OIL GRAVITY-API (CORR.) <u>N/A</u>			
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) <u>N/A</u>							TEST WITNESSED BY <u>Roy Neset</u>						
35. LIST OF ATTACHMENTS <u>See Exhibit "A"—Formation Tops</u>													
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records													
SIGNED <u>Darryl L. Duval</u>		TITLE <u>Regulatory Compliance Adm.</u>						DATE <u>6/11/93</u>					

\*(See Instructions and Spaces for Additional Data on Reverse Side)

EXHIBIT "A"

43-28 HAWK FEDERAL  
NESE Sec. 28, T37S, R23E  
San Juan County, UT

<u>FORMATION</u>	<u>DEPTH</u>
Shinarump	2870'
Cutler	2960'
Hermosa	4800'
Upper Ismay	6034'
Mid-Anhy.	6069'
Hovenweep	6156'
Lower Ismay	6172'
Gothic	6247'
Desert Creek	6284'
Akah	6378'
Salt	6409'

RECEIVED

JUN 14 1993

DIVISION OF  
OIL GAS & MINING